

1941/7C.

NEW SOUTH WALES.  
BUSINESS STATISTICS - 25th JULY, 1941.

There is evidence of the expanding war effort in records in employment and manufacturing activity. Steps for more intensive organisation of industry, and to increase supply and use of substitute motor fuels have been taken. The banking situation is strong and savings have increased as never before. Residential and factory building remains active, but other types of building have decreased. Trade returns imply a recent heavy consumer purchasing evidently prompted by anticipated greater diversion of industry from civilian to war production. Some help for Aust. exports may come from a trade mission to U.S.A. and changes in New Zealand import policy.

C O N T E N T S.

PART

I. Season: Wheat progressing favourably.

Export Prices and External conditions: Prices steady. Trade delegation to U.S.A. N.Z. import policy. Shipping losses. Conditions in U.K. - Prices and wages policy. U.S.A. Defence Tax Bill.

Currency Relations: Sterling firm in New York. U.S.A. loans against British-owned American assets.

Wool: Shearing in progress. Aust. wool manufacturers busy on defence orders.

Wheat: International Wheat Committee. N. American harvest prospects. Prices ease in Chicago.

Butter: Production low in N.S.W. Intra-State quota, Aug., 1941.

Metals: Tin and silver slightly firmer in London.

II. Banking: Private business in Trading Banks, N.S.W. June Qr., 1941.

Wholesale Trade: Employment (N.S.W.) - mid-June, 1941. Sales under Sales Tax Acts - Apr. and Jan.-Apr., 1941.

Retail Trade: Employment (N.S.W.) - mid-June, 1941. Activity in City Shops - May, 1941.

Savings Banks, N.S.W. Depositors' Balances and Open Accounts, to June 30, 1941. War Savings Certificates.

III. Employment, N.S.W. Persons employed - mid-June, 1941.

Manufacturing Industries: Employment (N.S.W.) - mid-June, 1941. 42 Large Factories - Sales, etc. May & Jan.-May, 1941.

Gas and Electricity: Index of Consumption, Sydney - June, 1941.

Building Permits Metropolis: Value and No. of Dwellings - June and Jan.-June, 1941.

Motor Vehicles, N.S.W. New Vehicle Sales - June, 1941. Registered vehicles at June 30, 1941. Producer gas. Power alcohol.

## PART I. PRIMARY AND EXPORT INDUSTRIES.

SEASON. Further useful showers have fallen over parts of the wheat belt. Parts of the South Coast, the Upper Hunter Valley and the south western portion of the State need rain urgently. Elsewhere conditions are satisfactory, but until copious general rains fall the season will not be fully assured. Wheat crops are reported to be progressing well.

EXPORT PRICES AND EXTERNAL TRADE CONDITIONS. The index number of Australian export prices (Commonwealth Bank) is steady at a level about 8 per cent. above the average in the years 1935-1939. In June, 1941 the index number (average 1927 = 100) was 83 compared with 82 in June, 1940 and 65.4 in June, 1939. Sir Ronald Cross, the new U.K. High Commissioner in Australia has stated that there is little prospect of the shipping position, improving this year. Shipping losses in June (329,296 tons) were below the recent average but in the six months ended June totalled 2.4 m. tons. Regular announcement of shipping losses is to be discontinued.

The Commonwealth is sending a trade delegation to U.S.A. to discuss the possibility (now also being considered in U.S.A.) of America taking Australian foodstuffs to replace American food shipped to Britain. New Zealand is further restricting imports but will admit many Australian goods which Britain cannot supply on the same tariff basis as U.K. goods.

Britain's note circulation is now £651m. compared with £609m. in July, 1940. The U.K. Government has issued a White Paper which (according to press reports) indicates that wages determination through existing machinery is to continue; price stabilisation is to be used to check the spiralling of wages and prices.

Incomplete figures show acceptances totalling more than £stg.23m. of the £stg.30m. Australian loan conversion offer in London.

The United States Defence Tax Bill, to raise \$3,529m. has been passed by the House of Representatives

INTERNATIONAL CURRENCY RELATIONSHIPS. Sterling has been very firm in the open market in New York and the quotations - buyers \$4.035, sellers \$4.04 to £stg. - prevailing during the past week were highest since January last.

The arrangements by which American loans are to be made to Britain secured against British-owned American assets will materially assist the British Government in its task of finding dollars for payments in the United States for supplies not covered by the Lend-Lease Act. Advances totalling \$425m. have already been approved. This arrangement obviates the necessity for liquidation of British assets, possibly at distress prices, and the earnings of these same assets may be expected to meet interest, etc. charges on the loans. The United States may benefit by the circumvention of undesirable selling pressure on the New York Stock Exchange, but the transactions manifestly are advantageous to the British Government, and are, therefore, further demonstration of the will of the United States to assist the British war effort by all possible means.

WOOL. Shearing is now proceeding in the early districts of N.S.W. and up to July 24, 1941, 45,735 bales of new season's wool had been received in Sydney. It is expected that the 1941-42 clip will be somewhat larger than that of last season. First appraisements of 1941-42 are planned to begin in Sydney on August, 11, 1941.

Cheques in payment of retention money and equalisation dividend on the 1940-41 clip (amounting to £8,303,556 for the Commonwealth) will be sent to growers on July 29, 1941.

Australian woollen mills are working to capacity and are required to give priority to defence orders. This month contracts for blankets and knitted and woven materials to a value of £4,247,000 were let by the Dept. of Supply to Australian manufacturers.

WHEAT. The International Wheat Committee, which met in Washington last week is reported to have found "surprising unanimity in views on quotas, prices, shipping and other special war-time considerations." Representatives are submitting suggestions to their Governments and will confer again later.

/Recent.....



Recent reports indicate good progress with winter wheat harvesting and the likelihood of a heavy yield of spring wheat in the United States but prospects for the Canadian Prairie crop have been reduced by a spell of dry weather.

The area of wheat sown in N.S.W. is expected to be somewhat smaller than that of last season. An increase of 32s. a ton in the price of superphosphate from July 1, 1941, has been permitted. To modify the effect of this on farm costs the Commonwealth Government will pay a subsidy of 25s. a ton to manufacturers who are to adjust prices accordingly.

Wheat futures in Chicago have fallen below 105 cents a bus. (Sept. options) from 108 cents on July 8, but remain much above the average for any month since April, 1940. In Winnipeg prices have fluctuated and though tending lower were about 3 cents a bus. higher on July 23 than at the beginning of the month. Parcels in London show no significant price movements.

The local wheat market is quiet and prices are unchanged. The Wheat Board's quotation for bulk wheat for local flour is 3s. 11<sup>1</sup>/<sub>4</sub>d. a bus., ex trucks, Sydney. Flour sold in local trade is at £12.13s. a ton (including tax).

#### PRICES OF WHEAT IN NEW SOUTH WALES.

Shippers' offers to 1938-39. Prices for wheat for local flour from Dec., 1939.

	Seasons ended November.				June		July 25, 1941.
	Av. 1931-35	1937	1939	1940	1940	1941	
<u>Bulk Wheat:</u>	Shillings and pence per bushel.						
Ex trucks, Sydney.	2 9 <sup>1</sup> / <sub>2</sub>	5 3	2 5	3 10 <sup>1</sup> / <sub>2</sub>	4 0	3 11 <sup>1</sup> / <sub>4</sub>	3 11 <sup>1</sup> / <sub>4</sub>
Equiv. ex farm at country siding (a)	2 2 <sup>1</sup> / <sub>2</sub>	4 8	1 9 <sup>1</sup> / <sub>2</sub>	2 11	2 11	2 9 <sup>1</sup> / <sub>2</sub> <del>0</del>	2 9 <sup>1</sup> / <sub>2</sub> <del>0</del>

(a) Exclusive of bounty. ~~0~~ Net equivalent of advances made to date.

BUTTER. Butter production is at a low ebb in New South Wales and unlikely to increase until the Spring. A considerable quantity of butter is being imported from other States to meet local requirements. The quota fixed for intra-state sales in August, 1941, is 57 per cent. of the butter manufactured. This is a smaller proportion than in any recent year. Ordinarily it would imply greater production than usual for the time of the year in Australia as a whole but internal storage arrangements and export difficulties may be modifying factors under present conditions. Quotas for August of recent years were as follow:-

	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
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Proportion of butter made permitted to be sold within State.

	75%	71%	82%	65%	54%	61%	57%
August							

METALS: Prices of copper, lead and spelter in London remain at the maxima fixed by the British Ministry of Supply in December, 1939, viz:-

	<u>Electrolytic</u> <u>Copper</u>	<u>Lead</u> <u>Soft Foreign</u>	<u>Spelter</u>
Per ton, duty paid delivered to buyer	£62. 0. 0	£25. 0. 0	£25.15. 0

The open market prices of tin and silver, though steady continue slightly below those ruling in London in recent months. Quotations compare as follow:-

Average (1941).

	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July,</u> <u>23, 1941.</u>
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Tin (per ton)	£256.16s.	£265.4s.	£270.6s.	£269.19s.	£267.14s.	£262.18s.	£258.8s.
Silver (per oz.)	23.3d.	23.3d.	23.4d.	23.5d.	23.5d.	23.4d.	23.4d.

**BANKING.** In June Qr., 1941 the Commonwealth £35 million Loan and tax payments drew cash away from Australian trading banks and there was also a seasonal increase in advances. The ratio of advances to deposits remained comfortable and the decline in liquidity is likely to prove transitory; cash should be replenished as Commonwealth receipts are paid out for supplies and services. The banking situation is not as easy as it was a year ago, but compares favourably with that of other recent years. There is ample credit for essential needs and checks operating at the instance of the Investment Advisory Board preclude the dissipation of resources in ways not serving the war effort.

In private trading banks in New South Wales deposits decreased and advances increased from March to June Qrs., 1941 so that the excess of deposits over advances was reduced by £5m. but even so it was £13m. greater in June Qr., 1941 than in June Qr., 1940. The wartime growth in deposits reflects the rising national income (to which enhanced receipts from exports has contributed) and the expansion of credit by the Commonwealth Bank, first directly to the Government and latterly in financing advances to primary producers. Movements between June Qrs. of successive recent years were as follow :-

PRIVATE DEPOSITS AND ADVANCES - PRIVATE TRADING BANKS IN N.S.W.

Changes in year ended June (Increase +, Decrease -).

June Qr.	Fixed Deposits	Current Deposits	Total Deposits	Advances	Excess of Deposits over Advances.
	£m.	£m.	£m.	£m.	£m.
1937 to 1938	+1.8	+ 1.3	+ 3.1	+ 14.1	- 11.0
1938 to 1939	+1.7	+ 0.9	+ 2.6	+ 3.3	- 0.7
1939 to 1940	+1.6	+ 9.0	+10.6	- 4.3	+ 14.9
1940 to 1941	- .5	+ 9.5	+ 9.0	- 4.0	+ 13.0

It is apparent that the Commonwealth Government intends to ensure that credit stringency shall not appear. On July 3, 1941 the Treasurer stated "we shall risk some upward pressure of prices rather than run any risk of not having in the community enough spending power, whether public or private, to use all our resources to the fullest degree possible".

Particulars of private business in private trading banks in New South Wales are as given below:-

PRIVATE BUSINESS IN PRIVATE TRADING BANKS IN NEW SOUTH WALES. (a)

(Aggregate Quarterly Averages).

Quarter ended	Deposits			Advances	Excess of Deposits over Advances.
	Fixed	Current	Total		
	£m.	£m.	£m.	£m.	£m.
June, 1929	63.6	47.7	111.3	100.8	10.5
" 1931	63.5	34.9	98.4	97.4	1.0
" 1933	62.9	50.5	113.4	118.9	(-)5.5
" 1939	64.6	51.4	116.0	122.2	(-)6.2
March, 1940	65.9	60.4	126.3	116.9	9.4
June, "	66.3	60.4	126.7	117.9	8.8
March, 1941	66.5	71.5	138.0	111.2	26.8
June, "	65.8	69.9	135.7	113.9	21.8

(a) Excluding C'wealth. and Rural Banks and excluding Government deposits and Government securities in private trading banks.

(-) Denotes excess of advances over deposits.



WHOLESALE TRADE. Returns of sales in N.S.W. recorded under the Sales Tax Acts (available only to April, 1941) reveal a tendency toward increase. Higher prices and Government war purchases enter into the increase and it is possible that ordinary civilian trade has also increased (as retail trade returns imply - see note below).

Three months ended -

	<u>Nov.</u>	<u>Dec.</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>
	Sales under Sales Tax Acts, N.S.W.					(£ million).
1939-40	56.19	55.07	52.18	49.29	47.94	49.49
1940-41	54.11	53.66	50.99	50.35	50.72	53.95
Increase +	-3.7%	-2.6%	-2.3%	+2.2%	+5.8%	+9.0%
Decrease -						

There was a small seasonal decrease in employees with wholesalers with ten or more employees from May to June, but in the middle week of June, 1941 the number was 2.85 per cent greater than a year before. There is not necessarily a close relationship between employment and the volume of business done in wholesale trade but in recent months employment has been sustained at a level above that of the corresponding months of 1940.

#### WHOLESALE TRADE - NEW SOUTH WALES.

	Sales by Registered Traders.			Employed in Wholesale Firms with Ten or more Employees.		
	April	January to April.	Increase over Jan. Apr. of preceding year.	April	May	June
	£ million	£ million	per cent.	Persons	Persons	Persons
1932	10.17	39.13	(-) 2.3	(17,638	June, 1933).	
1938	16.83	62.54	3.8	25,598	25,354	25,212
1939	15.79	61.35	(-) 1.9	25,834	25,701	25,212
1940	17.88	65.82	7.3	25,927	25,732	25,871
1941	19.06	69.78	6.0	26,570	26,687	26,612

Minus sign (-) denotes decrease.

RETAIL TRADE. Returns relating to trade in a group of large City shops show that in May, 1941 the value of sales was 24.2 per cent. greater than in May, 1940. This was the largest increase ever recorded and traders attributed it to a heavy demand for all items due to renewed fear of a shortage of civilian supplies. Increases by classes exceeded 20 per cent. except in fancy drapery (19.8%), building materials, tools, etc. (15.9%) and food and perishables (10.8%) and ranged as high as 40.8% (household piece goods). Stocks at the end of May, 1941 were 0.5% below the value of those held on May 31, 1940. The average number of employees in these shops was 4.3 per cent. greater and the wages bill of the firms was 7.4 per cent. greater than in May, 1940.

Shops in N.S.W. with ten or more employees were employing 53,099 persons in the middle week of June, 1941. There was a seasonal decrease of 60 compared with May, 1941 but there has been some tendency for employment in retail trade to increase. Compared with a year earlier there were increases in employees in firms with ten or more employees of 449 in March, 1,365 in April, 1,360 in May and 1,477 in June, 1941.

Probably due to industrial development and the resultant increase of purchasing power in industrial centres employment in these larger retail concerns has increased in Sydney and Newcastle and decreased in country towns. Percentage changes from June, 1939 to June, 1941 were; City, + 3.6%, Suburbs of Sydney, + 3.8%; Newcastle district + 6.9% and country towns - 2.4%.

Numerical comparisons are appended:-

/EMPLOYMENT.....

## PART II. (Continued.)

## EMPLOYMENT IN RETAIL TRADE - NEW SOUTH WALES.

	<u>City of</u> <u>Sydney</u>	<u>Suburbs of</u> <u>Sydney</u>	<u>Newcastle</u> <u>District</u>	<u>Country</u> <u>Towns</u>	<u>Total</u> <u>N.S.W.</u>
Persons employed in retail firms with ten or more employees.					
June, 1937	34,959	3,977	2,363	8,578	49,877
1938	36,567	4,001	2,540	8,813	51,921
1939	36,487	4,058	2,557	8,565	51,667
1940	36,698	3,956	2,577	8,391	51,622
1941	37,792	4,214	2,733	8,360	53,099

SAVINGS BANKS. In June, 1941 deposits exceeded withdrawals in savings banks in New South Wales by £104,000, interest totalling £1,550,000 was added, and on 30th June, 1941 the amount to credit of depositors (£87,750,000) was greater than ever before. During 1940-41 there was an increase of £5,639,000 - a record for any recent financial year. Exclusive of interest added in June the movement in depositors' balances for five years was as follows:-

<u>1936-37</u>	<u>1937-38</u>	<u>1938-39</u>	<u>1939-40</u>	<u>1940-41</u>
Excess of deposits (+)		withdrawals (-)		£ Thousand.
+ 501	+ 2,556	+ 896	- 6,925	+ 4,089

In 1939-40 and 1940-41 some savings were applied to the purchase of War Savings Certificates. These amounted to £1,940,000 in March-June, 1940 and to £3,848,000 in July-April, 1940-41 and appear to have exceeded £500,000 in May and June together. Thus, small savings in 1940-41 in N.S.W. were approximately £8.4 million, or with savings bank interest added, nearly £10 million, not taking into account savings invested in Government loans.

This unprecedented level of savings is attributable to greater employment, higher wage earnings and patriotic endeavour.

At 30th June, 1941 the number of open savings accounts (1,339,740) was 27,043 greater than in June, 1940 and 121,495 greater than in June, 1937.

## SAVINGS BANKS IN NEW SOUTH WALES.

	Depositors' Balances		Increase in Deposits		Open Savings Accounts	
	At 31st May.	At 30th June.	In June	In Year ended June	At 31st May	At 30th June
	£000	£000	£000	£000	000	000
1937	79,979	81,952	1,973	1,952	1,209	1,218
1938	84,310	86,916	1,706	4,064	1,281	1,289
1939	86,097	87,474	1,377	1,458	1,324	1,330
1940	85,179	82,111	- 3,068	- 5,363	1,321	1,313
1941	86,096	87,750	1,654	5,639	1,333	1,340

Minus sign (-) denotes decrease.



## PART III. INDUSTRIES.

**EMPLOYMENT.** A record number of persons (908,710) were in employment in New South Wales in the middle week of June, 1941. An increase of 2,133 in the last month brought the total increase during the war period to 76,804 of which number 52,414 found employment in the year ended June, 1941. Except for seasonal movements at Christmas and Easter and the interruption due to the coal mines stoppage in March-May, 1940 employment has grown from month to month, increasing more rapidly latterly than in the earlier months of the war, as the appended table indicates:-

## INCREASE IN PERSONS IN EMPLOYMENT IN N.S.W.

	Private	Government	Local Government	All Employment.	In All Factories.
Increase or Decrease (-) in Persons employed.					
February, 1941	8,148	1,200	350	9,734	4,400
March	6,340	2,900	+150	9,090	7,000
April	-1,332	900	-187	-619	-600
May	2,882	1,500	69	4,451	3,000
June	2,194	200	-251	2,143	4,100
Aug.-June, '39-40	19,855	5,900	-1,265	24,490	12,100
" 40-41	31,092	8,000	- 708	38,384	28,000

Unemployment has been greatly reduced. In June, 1941 there were 17,193 adult males registered as unemployed at State Labour Exchanges, compared with 44,201 in June, 1940 and 52,851 in August, 1939. Beside the 35,658 unemployed who have found work, the increment of labour (which, because of enlistments is much greater than the increase in persons in employment) has been drawn from natural increase, postponed retirements, re-entry of retired persons to paid employment, attraction of women into industry and transfer of some persons from self-employment to wage-earning occupations. The reserve of labour is now small and the needs of expanding war industries will require transfers from un-essential industries, and probably, still greater employment of women.

From mid-May to mid-June, 1941 the major movement was the increase of 4,100 in employment in factories. There was appreciably less employment in shipping (a group showing irregular month to month movements) and small decreases in mines, retail trade, wholesale trade and (seasonally) in offices and commerce.

Particulars of employment in June of certain years since 1937 (and in May, 1941) are appended. The outstanding feature has been the great increase in the number employed in factories (see succeeding note). This is attributable to the expanding industrial war effort and increases in other industries are, in the main, resultant from that development.

## EMPLOYMENT IN NEW SOUTH WALES.

(Excluding relief workers and men in the Armed Forces not on civil pay sheets.)

Group.	Persons employed in middle week of --							Movement
	June, 1937	June, 1939	Aug., 1939	June, 1940	May, 1941	June, 1941.	June '40 to 1941	Aug., '39 to June '41
	000	000	000	000	000	000	per cent.	
All Employment	800.4	831.6	831.8	856.3	906.6	908.7	+ 6.1	+ 9.2
Private "	652.9	678.6	680.3	700.2	743.6	748.5	+ 6.9	+10.0
All Factories(a)	216.9	229.0	228.7	240.8	272.2	276.3	+14.7	+20.8
<u>In Firms with Ten or more Employees:</u>								
Mines	18.6	20.9	21.7	21.1	20.9	20.8	- 1.4	- 4.1
Retail Trade	49.9	51.7	51.3	51.6	53.2	53.1	+ 2.9	+ 3.5
Wholesale Trade	24.8	25.2	25.4	25.9	26.7	26.6	+ 2.7	+ 4.7
Offices & Commerce	24.9	27.3	27.1	28.7	29.2	29.0	+ 1.0	+ 7.0
Ship'g. & Rd.Trnspt.	19.7	20.2	20.7	22.4	22.6	20.7	- 7.6	...
Personal Services (b)	27.5	29.8	30.1	30.5	31.0	31.8	+ 4.3	+ 5.6
Other Industries	19.7	19.6	18.5	18.3	18.0	17.6	- 3.8	- 4.9

(a) Includes working proprietors. (b) Includes hospitals, professions, amusements, hotels, etc. + Increase. - Decrease.

MANUFACTURING INDUSTRIES. There were 276,300 persons employed in factories in N.S.W. in the middle week of June, 1941. This was a record number and 4,100 more than a month earlier. Since August, 1939 (i.e., during the war) there has been an increase of 47,600 of which 31,500 entered factories in the last twelve months. Factory employment is now 53 per cent. above the average of the record pre-depression year. Continued expansion of war industries is responsible for the recent heavy increase but this development would not have been possible were it not for the post-depression duplication of capacity of the heavy iron and steel industry in this State.

EMPLOYMENT IN FACTORIES IN NEW SOUTH WALES.

		<u>June,</u> <u>1933</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
Persons employed	000	139.7	199.2	216.9	229.0	228.9	240.8	276.3
Index	1928-29							
number =	100	77	110	120	127	127	133	153

The industrial war machine is still in process of development. To meet the labour needs of war industries a Ministry (with a technical Director) of War Organisation of Industry has been created. A census of man-power in factories on June 15, 1941 has been taken and the information so ascertained will facilitate the task of transfer of skilled persons from non-essential civilian to war industries. To organise production of armoured fighting vehicles a Controller of Tanks has been appointed. Merchant shipbuilding, aircraft and engine building and aluminium works are to expand. Men will be required for production of producer gas units, charcoal and power alcohol. Large contracts for yarns, textiles clothing and boots will keep factories occupied supplying defence and war needs - boot manufacturers are to use all possible resources on an overtime basis for manufacture of military boots for Australian, British and Allied Forces in the Middle and Far East. Contraction of ordinary export opportunities is necessitating increased processing of foodstuffs.

Employment increased from May to June, 1941 in all kinds of factories but more than two-thirds of the increase was in the industrial metals group.

The following statement illustrates trends in employment in private factories with ten or more taxable employees. The bias toward expansion in those producing war goods can be seen clearly. Government factories are not included but in these employment has also increased greatly.

EMPLOYMENT IN PRIVATE FACTORIES WITH TEN OR MORE TAXABLE EMPLOYEES, N.S.W.

Middle week of	Cement Bricks Glass &c.	Chem- icals, etc.	Indus- trial metals	Textiles & Cloth- ing.	Food and Drink	Wood- work- ing &c.	Paper & Print- ing.	Rubber
	Number of persons employed - Thousands.							
June, 1938	11.37	6.76	66.39	37.48	27.21	10.68	14.68	3.77
Aug., 1939(a)	11.51	7.24	61.78	36.96	27.96	9.89	14.81	3.68
June, 1940	11.80	8.41	65.31	39.12	28.52	9.50	15.02	4.15
April, 1941	12.77	9.09	83.86	41.04	31.25	10.43	14.50	4.38
May, "	12.96	9.28	85.54	41.43	30.56	10.62	14.74	4.52
June, "	13.07	9.48	88.03	41.80	30.70	10.71	14.84	4.62
Increase (a) to (b)	13.6%	30.9%	42.5%	13.1%	9.8%	8.3%	0.2%	25.5%

In May, 1941 sales in 42 large factories (£4.3 million) were a record. Many of these factories are engaged either directly or indirectly in war production. In the five months ended May these manufacturers sold products valued at £20.04m. in 1941 compared with £17.32m. in 1940 and £15.24m. in 1939. Their employees in May, 1941 were 20 per cent. greater in number, and their wages bill was 36 per cent. greater than in May, 1939. Other comparisons are appended:-



## MANUFACTURING INDUSTRIES - NEW SOUTH WALES.

	All Factories		Forty-two Large Factories.					
	June		January to May.					
	Employment		Month of May.			(Monthly Averages)		
	Number	Index No.	Sales	Employ-ees.	Wages paid Weekly.	Sales	Employ-ees.	Wages paid weekly.
	Av. 1928-29 =		£000	000	£000	£000	000	£000
1937	180,756	100						
1938	216,900	120	2,938	22.2	85.3	2,932	22.0	83.2
1939	229,000	127	3,241	23.3	96.1	3,142	23.2	94.0
1940	228,900	127	3,242	23.0	95.4	3,049	23.0	95.4
1941	240,800	133	3,498	23.1	96.4	3,464	23.5	99.7
1941	276,300 <sup>+</sup>	153 <sup>+</sup>	4,300	27.6	130.2	4,009	26.9	121.7

<sup>+</sup>Subject to revision.

GAS AND ELECTRICITY. Index numbers of the consumption of gas and electricity in Sydney and suburbs show that in June, 1941 the amount of energy used was 50 per cent. above the average in June of the years 1929 to 1931. In this increase growth of population and extension of services to new areas, as well as wider use of modern lighting, heating and power equipment in business and in homes have a part. The increase in consumption of about 14½ per cent. between June, 1939 and 1941 is, however, mainly attributable to industrial expansion associated with the war effort.

## INDEX OF CONSUMPTION OF GAS AND ELECTRICITY - SYDNEY AND SUBURBS.

1929      1932      1937      1938      1939      1940      1941

Index numbers: Average 1929-31 = 100.

Month of June	103	99	124	127	131	135	150
Calendar Year	105	96	119	123	131	135	-

BUILDING PERMITS - METROPOLIS

(Government buildings are not included in building permits).

Irregular monthly totals preclude deductions as to trends in private building activity as a whole. Permits in June (£1.38m.) were unusually high in value, mainly due to proposals for houses, flats and factories, which classes predominated in recent months. The June Qr. total (£3.23m.) was exceeded in several quarters in 1938 and 1939. Permits in 1940-41 (£12m.) were 10% below the value in 1938-39 with decreases for all types except brick houses and factories.

Dwellings proposed in June (1,267) were second highest in number of all post-depression months. In Jan.-June the number (5,176) was 11.6% less than in Jan.-June, 1938.

Private building permits granted in Sydney and suburbs in June, 1941 (£1,382,000) were substantially above the average value in recent months and highest for June of the post-depression period. The total in May (£1,078,000) was also large, but in other recent months totals were moderate. It is not clear if the high values in May and June are significant of a renewed upward trend, but it is apparent from the following quarterly comparisons that activity in the industry is still substantial:-

	March Qr.	June Qr.	Sept. Qr.	Dec. Qr.	Year ended June.
	Value of Building Permits Granted - Metropolis				(£000).
1938	3,106	3,689	4,053	3,194	13,119
1939	2,856	3,230	3,531	2,603	13,333
1940	2,324	2,979	2,844	3,571	11,437
1941	2,357	3,234	-	-	12,006

/To obtain.....

To obtain an indication of the position of the building industry as a whole it is necessary to take into account contracts for the erection of public buildings. In June Qr., 1941 in the Metropolis these amounted to £275,000. Public building did not quite offset the decrease in private building in 1940-41 in comparison with 1938-39, when private permits alone were £13,333,000.

Particulars for the war years are as follow:-

PUBLIC AND PRIVATE BUILDING PROPOSALS - SYDNEY AND SUBURBS.

		Half-year ended -		Total 1939-40	Half-year ended		Total 1940-41
		Dec. 1939	June, 1940		Dec. 1940	June, 1941	
Public Bldgs.	£000	735	318	1,053	576	695	1,271
Private "	£000	6,134	5,303	11,437	6,415	5,591	12,006
Total	£000	6,869	5,621	12,490	6,991	6,286	13,277

Private building in the City, has been very depressed (and is likely to continue so under operation of the Building Control regulations). In the suburbs a high level of building permits was recorded in June Qr., 1941 but in the half year ended June the value of suburban permits (£4.9m.) was lower in 1941 than in any of the preceding four years and 28 per cent. less than in Jan.-June, 1938 (£6.8m.). The following comparisons show that in some residential sections of the metropolis, particularly in the Northern suburbs, recent building proposals have been at a record level. In other sections (e.g. the inner industrial and outer western suburbs) erection of factory premises, stores to hold unexported produce, etc. has partly offset decreases in other types of building:-

BUILDING PERMITS GRANTED - SYDNEY AND SUBURBS.

Quarter ended -	City of Sydney.	S U B U R B S						Total, Suburbs.
		Inner Indus-trial	Illawarra-Banks-town.	Inner West-ern.	Outer West-ern.	North-ern.	East-ern.	
		Value in £ Thousand.						
June, 1938	801	278	660	309	147	831	663	2,888
" 1939	429	288	614	212	116	822	748	2,800
" 1940	262	305	627	215	173	823	574	2,717
Sept., "	424	305	552	253	119	754	437	2,420
Dec., "	622	501	491	245	92	891	729	2,949
March, 1941	156	188	513	194	83	817	406	2,201
June, "	217	289	619	311	150	1,112	536	3,017

Permits for houses and flats comprised the major part of the value recorded in recent months. This strong bias toward residential construction was apparent in permits in June, and in June Quarter, 1941 houses and flats represented 81 per cent. of the total value of permits, compared with 68 per cent. in June Qr., 1938. Proposals for hotels, shops, and miscellaneous buildings have decreased heavily. Maintenance of high totals for factories reflects the development of the industrial war effort:-

war effort:-

Period	Houses.		Flats (a)	Hotels Guest- Houses.	Shops (b).	Factor- ies (c)	Other Build- ings.	Total
	Brick	Wood, Fibro						
			Value	in	£	Thousand.		
June, 1939	469	94	439	30	39	53	146	1,270
" 1940	388	60	235	52	44	105	76	960
" 1941	655	130	345	13	31	146	62	1,382
June Qr. 1938	1,351	232	925	289	151	292	449	3,689
" 1939	1,130	261	861	122	107	344	405	3,230
" 1940	1,171	386	668	99	97	239	319	2,979
Sept. Qr. "	1,296	195	530	221	60	264	278	2,844
Dec. " "	1,171	155	1,091	102	117	454	481	3,571
March " 1941	1,266	142	535	16	62	206	130	2,357
June, " "	1,575	264	806	19	80	285	205	3,234

Includes (a) conversions to flats, (b) shops with dwellings and (c) public garages.

/A statement...



A statement showing the value of permits granted for various kinds of building in each of the last five financial years is appended. This shows that in 1940-41 the value of permits for houses was highest of the post-depression period, although for wood and fibro houses the total was lower than in each of the years shown except 1936-37. Permits for flats approached the record value of 1938-39 and for factories were above the value of any recent year. Proposals for all other kinds of building fell away materially. Percentages given in the final column show the extent of movement in value in comparison with the pre-war year, 1938-39:-

PRIVATE BUILDING PERMITS GRANTED - SYDNEY AND SUBURBS.  
Including Alterations and Additions. Excluding Government Buildings.

	Year ended 30th June.					Movement: 1938-39 to 1940-41.  per cent.
	1937	1938	1939	1940	1941	
	£000	£000	£000	£000	£000	
Houses - Brick	3,669	4,760	4,659	4,492	5,308	(+) 13.9
- Wood & Fibre	402	767	970	966	756	(-) 22.1
Hotels, Guest Houses	84	392	779	532	358	(-) 54.0
New Flats	1,971	2,787	3,094	2,318	2,917	(-) 5.7
Conversions to Flats	152	151	88	95	45	(-) 48.9
Shops with Dwellings	210	190	291	213	249	(-) 48.8
Shops only	246	228	246	257	170	(-) 30.9
Factories	1,114	1,014	1,010	1,041	1,189	(+) 17.7
Public Garages	180	121	141	44	20	(-) 85.8
Other Buildings $\phi$	2,145	1,709	2,055	1,479	1,094	(-) 46.8
T o t a l	10,173	13,119	13,333	11,437	12,006	(-) 10.0

$\phi$  Offices, theatres, hospitals, churches, private schools, etc.  
(+) Increase. (-) Decrease.

DWELLINGS. Industrial expansion has created problems of housing in some districts. The State Government has decided to apply £100,000 recently set aside for house-building to the building of homes at Port Kembla, Orange and Bathurst. Pending legislation setting up a Housing Commission the Government has appointed a committee to deal with housing of war workers. Commonwealth authorities are also investigating housing difficulties.

In the first year of the war the number of dwellings proposed fell below the level in earlier recent years but there has been marked activity in provision of houses and flats latterly. In June, 1941 there were 1,267 additional dwellings of all kinds proposed - next to December, 1940 (1,346) the highest number in any month of post-depression years. Details of dwellings included in private building permits in the half-year ended June are shown below. In the six months just ended 5,176 dwellings were proposed. This exceeded the number in Jan.-June 1939 or 1940 but was 678 or 11.6 per cent. less than in the first half of 1938. There were more brick houses and fewer wooden and fibro houses than in the preceding three years and although the number of flat dwellings increased, the number did not regain the very high level of Jan.-June, 1938.

DWELLINGS INCLUDED IN PRIVATE BUILDING PERMITS - METROPOLIS.

Type of Dwelling.	Half-year ended June -				
	1937	1938	1939	1940	1941
	Number of dwelling units.				
Houses - Brick	1,562	2,365	2,123	2,029	2,444
Wood, Fibro &c.	459	765	878	887	594
Total Houses	2,021	3,130	3,001	2,916	3,038
Flats - In new buildings	1,432	2,535	2,015	1,466	2,120
In converted "	223	227	145	140	78
With shops, hotels, etc.	68	87	88	60	53
Total - Flats etc.	1,723	2,899	2,248	1,666	2,251
Grand Total	3,744	6,029	5,249	4,582	5,289
Less Demolitions & Conversions	235	175	157	154	113
Net Additional Dwellings	3,509	5,854	5,092	4,428	5,176

## PART III (Continued.)

In each year since 1937-38 the number of additional dwellings proposed has either exceeded or closely approached the number in 1929 but there was relatively little new housing provided during the years of depression, and the cumulative shortage has apparently not been overtaken. A notable development is the high proportion of dwelling units comprised in flat buildings. These proportions were (approximately) 30 per cent. in 1929 and 45 per cent. in 1938-39 and 1940-41.

## ANNUAL NUMBER OF DWELLINGS PROPOSED - SYDNEY AND SUBURBS.

	Year ended Dec.		Year ended June				
	1929	Av. 1930-34	1937	1938	1939	1940	1941
Individual Houses	7,095	1,205	4,338	5,961	6,208	5,762	5,828
Flats, with Shops etc.	3,097	656	3,759	5,250	5,191	5,708	4,720
Net total (Demolitions and conversions deducted).	9,354	1,839	7,693	10,835	11,091	9,158	10,305

**MOTOR VEHICLES.** Private road transport is affected by the severity of petrol rationing. Plans to provide, and promote wider use of substitute fuels are developing. In N.S.W. over 150 Government kilns for charcoal burning have been established and others on order are expected to be installed at the rate of 40 a week. Kilns are to be made available for sale to farmers and others to augment the supply of charcoal. Early in July the Commonwealth Government accepted tenders for 10,150 producer gas units from eight of 44 tenders submitted, and also gave a high order of priority to steel, etc. for manufacture of units and kilns. Plans to expand production of power alcohol were discussed with State representatives last week and the establishment of Government distilleries to produce 10m. gal. of power alcohol a year from wheat (2m. gal. in N.S.W.) was decided upon.

With the object of building up stocks of petrol (and ultimately, modifying restrictions on its use) the Commonwealth has placed under direction of the Dept. of Supply the importation, storage and distribution of petrol. Importers (in addition to distributors) will be licensed and allotted quotas to import and store petrol and efforts are to be made to secure more tanker space for Australia.

Sales of new motor vehicles have fallen off sharply. In June, 1941 the weekly averages of new registrations of 40 cars and 40 lorries and vans were about 35 and 57 per cent., respectively of those in June, 1940 and the total was only one-ninth the number (715 per week) in June, 1937. Other comparisons are as follow:-

AVERAGE WEEKLY NUMBER OF NEW MOTOR VEHICLES REGISTERED, N.S.W. <sup>ø</sup>

	Cars, Cabs and Omnibuses.						Lorries and Vans.					
	Jan.	Feb.	Mar.	Apr.	May	June	Jan.	Feb.	Mar.	Apr.	May	June
1938	427	470	505	478	487	383	163	184	177	182	207	155
1939	325	505	435	393	417	376	117	127	131	130	151	141
1940	246	333	268	243	176	115	87	110	106	114	103	70
1941	141	163	167	121	89	40	53	70	71	47	46	40

<sup>ø</sup> Exclusive of trailers and of vehicles in defence services.

Since August, 1939 (i.e. during the war period) the number of motor vehicles on the register has decreased by 18,337 (cars by 14,032, lorries and vans by 2,377) including decreases of 5,105 in June quarter, and of 3,622 in June, 1941. Particulars are shown below:-

NUMBER OF REGISTERED MOTOR VEHICLES IN NEW SOUTH WALES. <sup>ø</sup>

	1933	1939	1940		1941			
	July	Aug.	June	Sept.	Jan.	Mar.	May	June
	Thousands.							
Cars	148.2	216.6	209.5	204.8	207.4	206.9	205.7	202.6
Lorries and Vans	48.2	77.5	75.6	74.7	75.6	75.7	75.5	75.3
All Vehicles	216.5	329.2	318.2	312.1	316.2	315.9	314.5	310.9

<sup>ø</sup> Exclusive of vehicles in Defence services; includes cycles and trailers.